Defense Contract Management Agency

DCMA Overview

Introduction to Contracting

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DSN 468-1134

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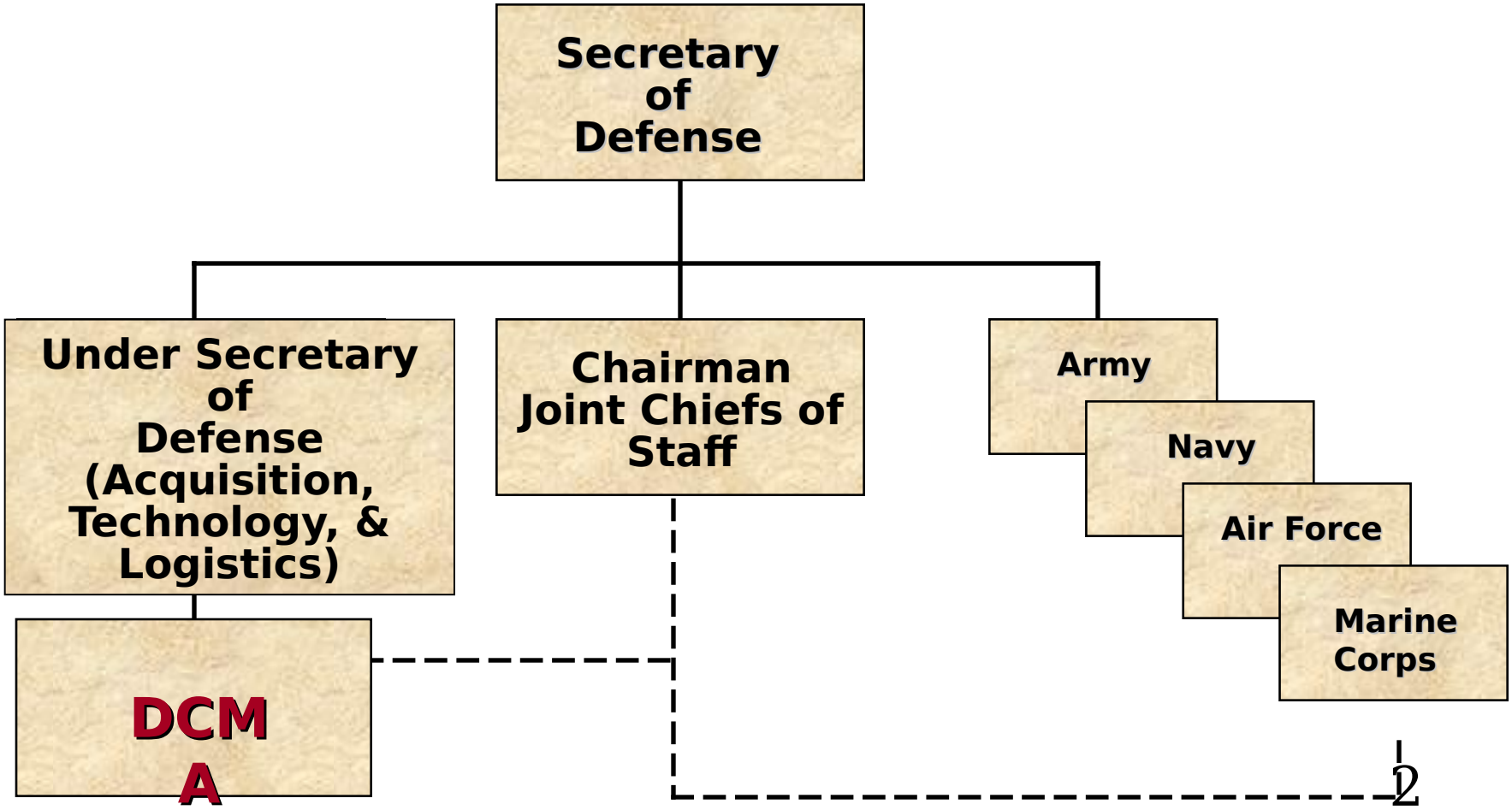
February 2004

DCMA is a Team Member…

…In the defense acquisition community



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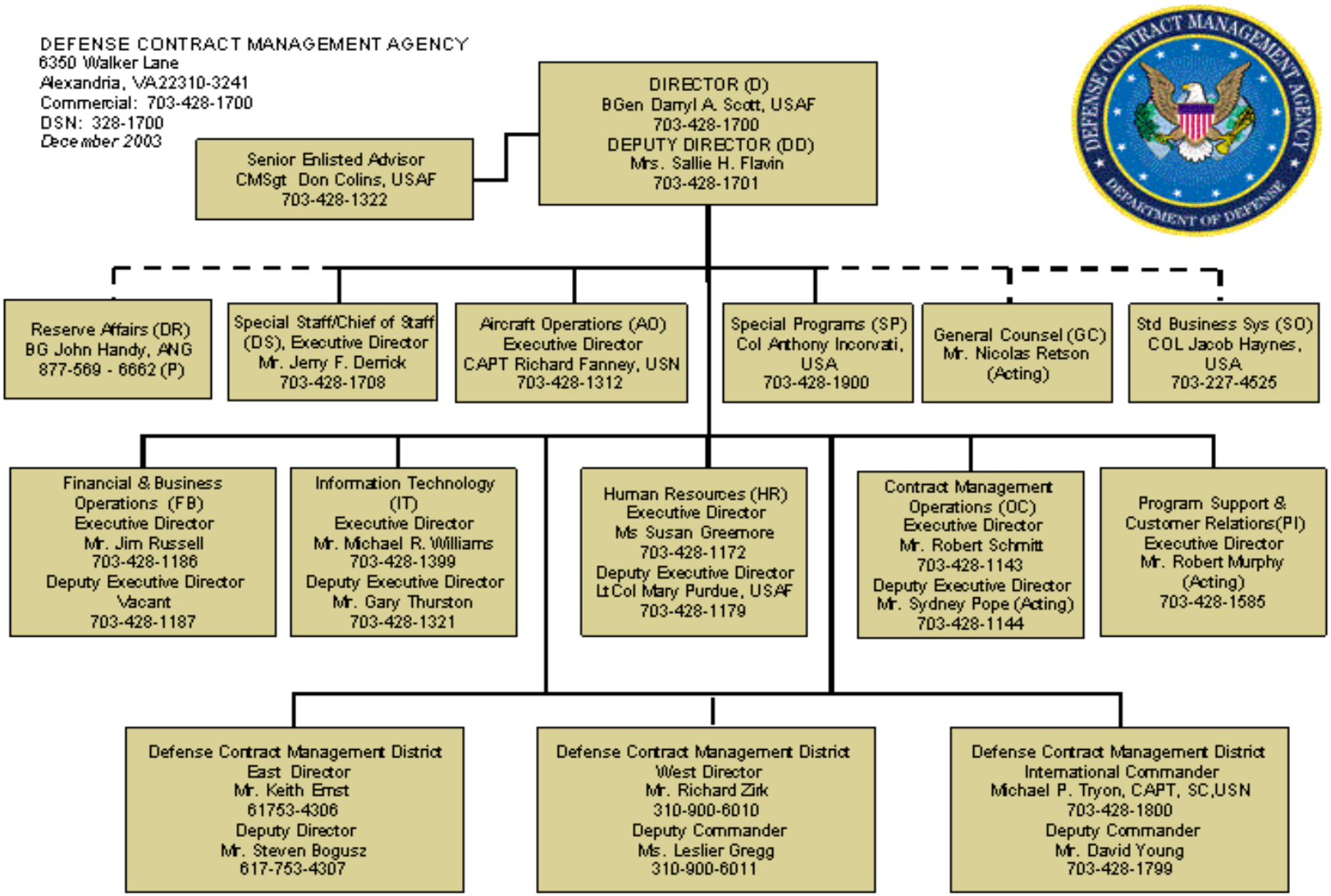

Mission, Vision, and Goals

Mission:

Provide *Customer* Focused Acquisition Life Cycle and Combat Support to Ensure Warfighter Readiness Worldwide 24/7

Vision:

Be an Indispensable Partner, Chosen By Our *Customers* For Collaboration From System Design to Logistics Support. It Starts With Me!

Strategic Goals:

1. **Deliver great customer service.**
2. **Lead the way to efficient and effective business processes.**
3. **Enable DCMA people to excel.**

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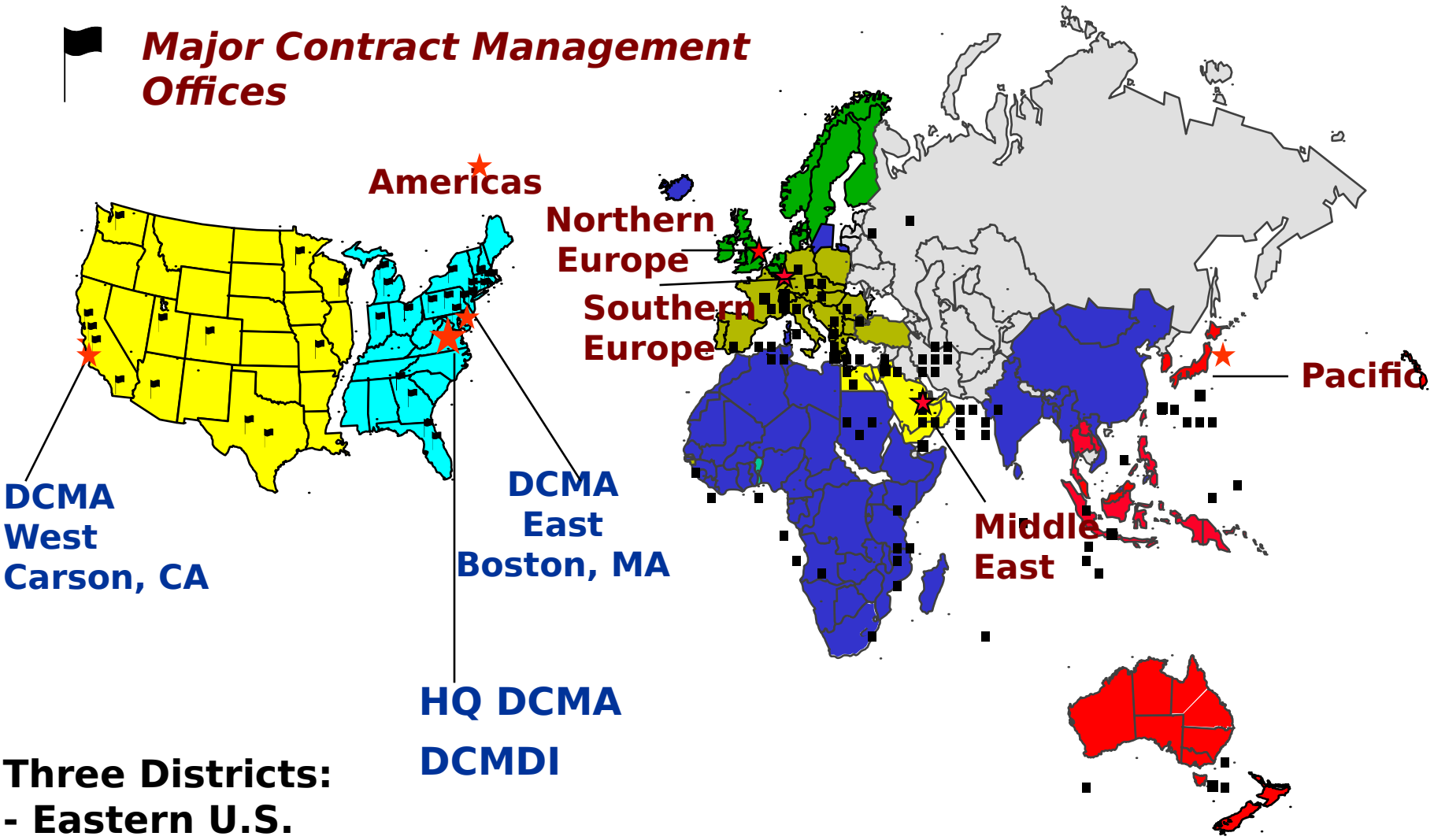
Worldwide Operations

Major Contract Management Offices



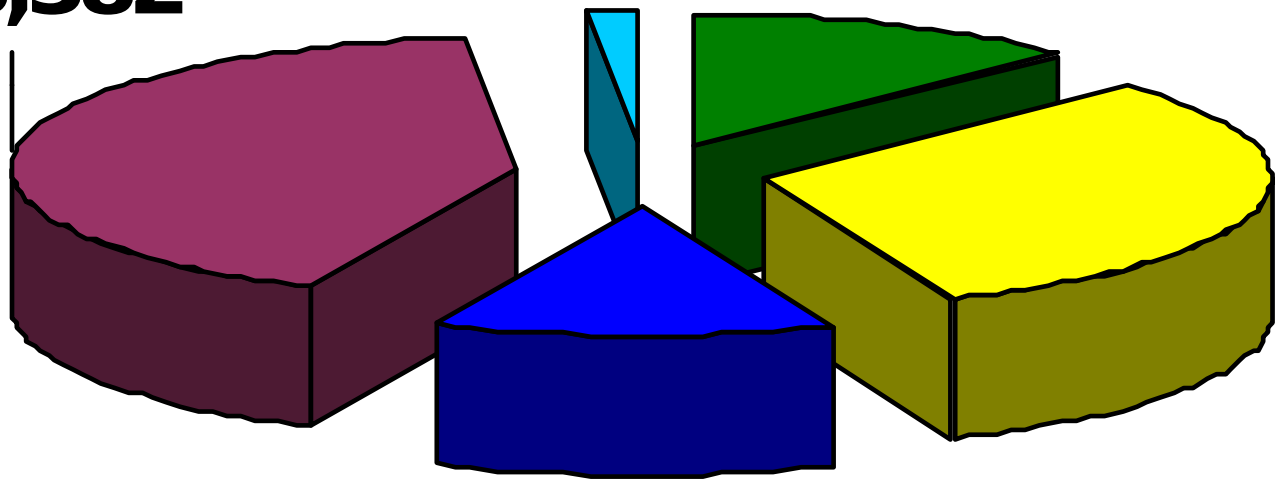
Three Districts:
- **Eastern U.S.**
- **Western U.S.**
- **International**

5 International Contract Management Offices covering 21 Countries

MOCAS WORKLOAD – BY SERVIC

DCMA Defense Contract Management Agency

As of 12 January 2004 - 331,994 Active MOCAS Contracts



Othe r 5,380

Army 42,664

138,382 DLA

Navy 102,677

42,891 Air Force

$880B Obligated

$136.5B Unliquidated

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Historic Perspective

THEN.....

DCMC Standup 1990

4 Headquarters
12 Districts/Regions
144 Field Offices
1,200 Locations
25,000 Contractors
26,246 Personnel
$180B Unliquidated $
458K Contracts

NOW....

DCMA 2004

1 Headquarters
3 Districts
56 Field Offices
Approx. 850 Locations
16,500+ Contrac
11,000+ Personnel
$136.5B+ Unliquidate
332K Contracts

WHAT WE DO!!!

- FAR 42.302a
- DFARS 242.302
- FAR 42.302b
- DFARS 242.302

Standard Functions

Additional Functions

Contract Management Services – Involvement

81 Functions

PRE-AWARD

AWARD

PERFORMANCE

COMPLETION

Pricing / Negotiation
Core Contract Admin
Program Technical Support
Quality Assurance
Engineering Surveillance
Production Surveillance
Property Management
Transportation

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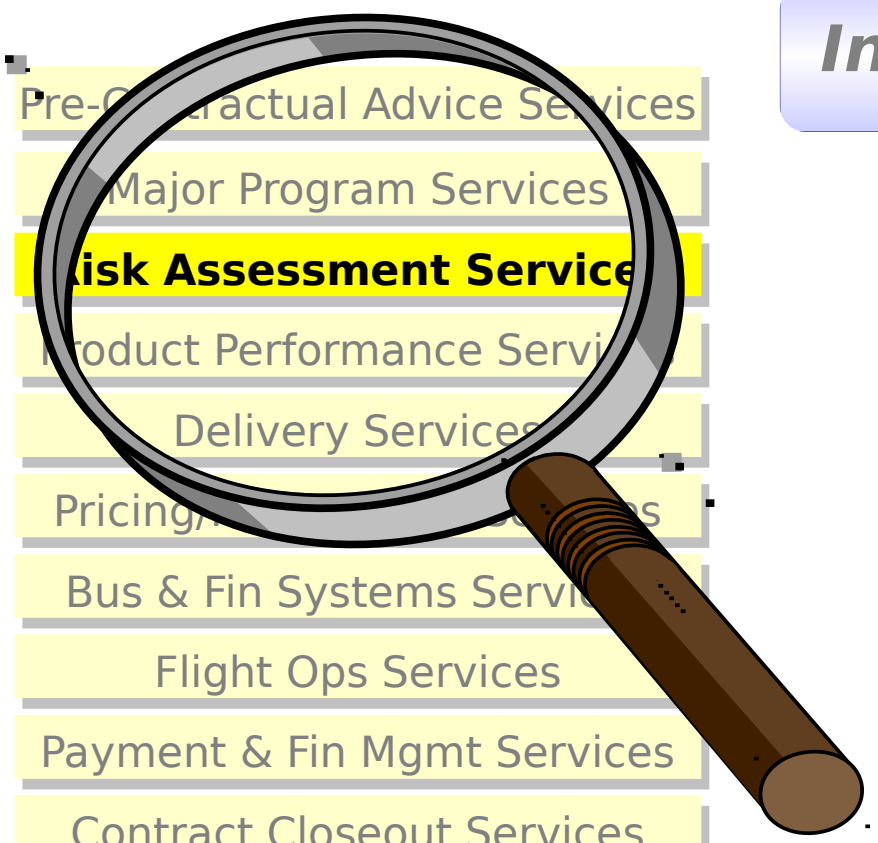
Risk Assessment Managem

Integrated Management System

What we do

DCMA Service Sets



How we manage

Integrated Management Sys

Risk Planning

Risk Assessment

Risk Handling

Risk Monitoring

Risk Documentation

DCMA Field Offices

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DCMA CMO

Military 05/06
Air Force, Army, Navy or Civilian

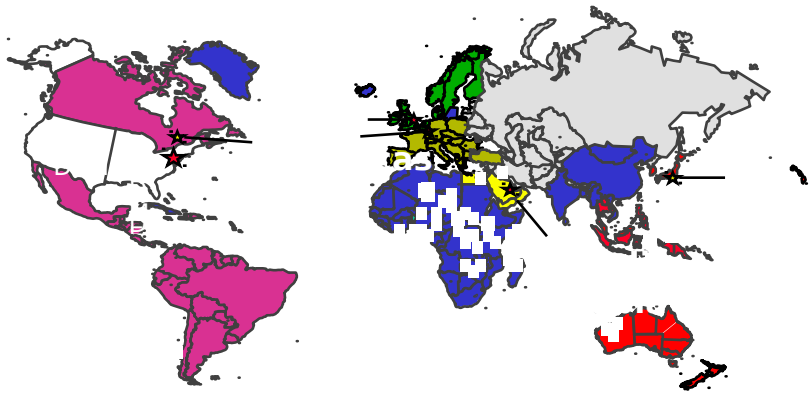
Operations

Tech Assessment Group

Functional Specialists
- Contracting
- Engineering
- Q/A
- Manufacturing
- Pricing
- Small Business
- Transportation

Corporate Support Assessments

Technical Expertise



Contract Management Office
- **Major Plant Facility**
- **Geographic Area**
  - **Some Small Plants**

Examples of what we do…

Management: GS-1101 – Team Leaders, Supervisory

Contracting: GS-1102,1106

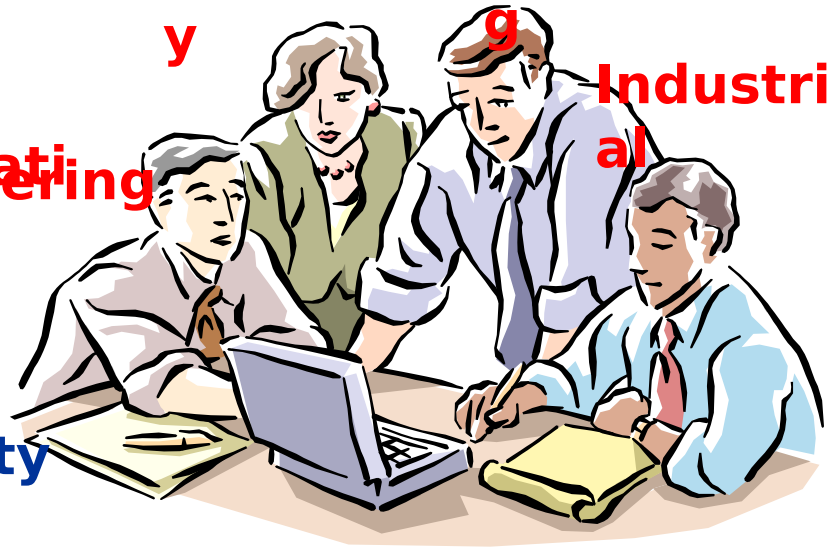
- ✓Establish O/H Rates
- ✓Review and approve progress payments
- ✓Definitize contracts
- ✓Initiate and perform contract closeout
- ✓Validate and approve contractor entitlement and payment

Technical: GS-1150, 1910, 08XX

- ✓Review status of contractor processes
- ✓Accept product
- ✓Engineering changes
- ✓Witness 1st article test
- ✓Monitor delivery progress
- ✓Validate contractors EVMS & Provide Predictive Analysis

Property: GS-1103

- ✓Monitor government property
- ✓Disposition government



Services We Provide to PCOs

PreAward

Acquisition Planning Support Services (APSS)

- ***Team with buying activities on acquisition strategy planning***
- ***Contractor Insight-Industry Intelligence/Analysis***
- ***Pre-Award Surveys***
- ***Contractor Business Systems Status***
  - **Review, evaluate, & approve as required**

    Purchasing, Estimating, Billing, Accounting, etc.
- ***Forward Pricing Rate Agreements***

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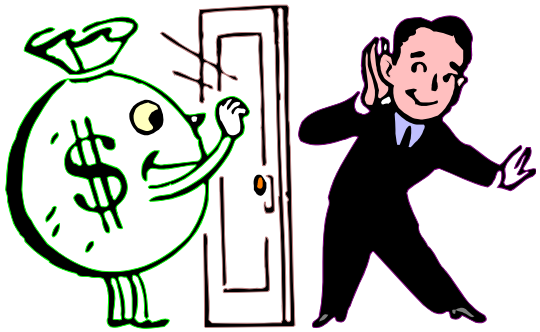
Services We Provide to PCOs

Post-Award

Conduct Post-Award Orientation Conferences

- ***Pricing & negotiation of contract changes***
- ***Definitize UCAs***
- ***Monitor subcontracting plans***
- ***Issue mass modifications***
- ***Monitor delivery schedules***
- ***Perform Quality Assurance functions***
  - **Surveillance of contractor's quality systems**
  - **Acceptance of product**

Contract Property Management



- **Classification of Government Property – 5 Kinds**
- **Who is responsible for it?**
- **Can you use it wherever you need it?**
- **Can Subcontractors use it?**
- **Does the Contractor simply dispose of it when he is finished using it?**

International Host Nation CAS

- **In the International Environment DCMA Delegates Certain CAS Functions to the Host Nations**
  - **Primarily Quality Assurance, but some Financial Auditing**
- **International Agreements (Authorization)**
  - **Currently 16 Agreements - Four Others in Progress**
  - **NATO Nations Receive Service on a No-Charge Basis**
- **DCMA Involved in Reviewing Nations QA Systems**

Schedule & Delivery Management

- **Defense Priority and Allocation System (DPAS)**

- **Industrial Labor Relations**

- **Production and Manufacturing Surveillance**
  - **Monitor Supplier On-Time Delivery**
  - **Industrial Base Risk Assessment**
  - **Readiness Requests**
  - **Acceleration/Expedite Requests**

- **ALERTS Tool Suite – Delay Notices and Contractor Priority Surveillance System**

Schedule & Delivery Management

Input a New Request

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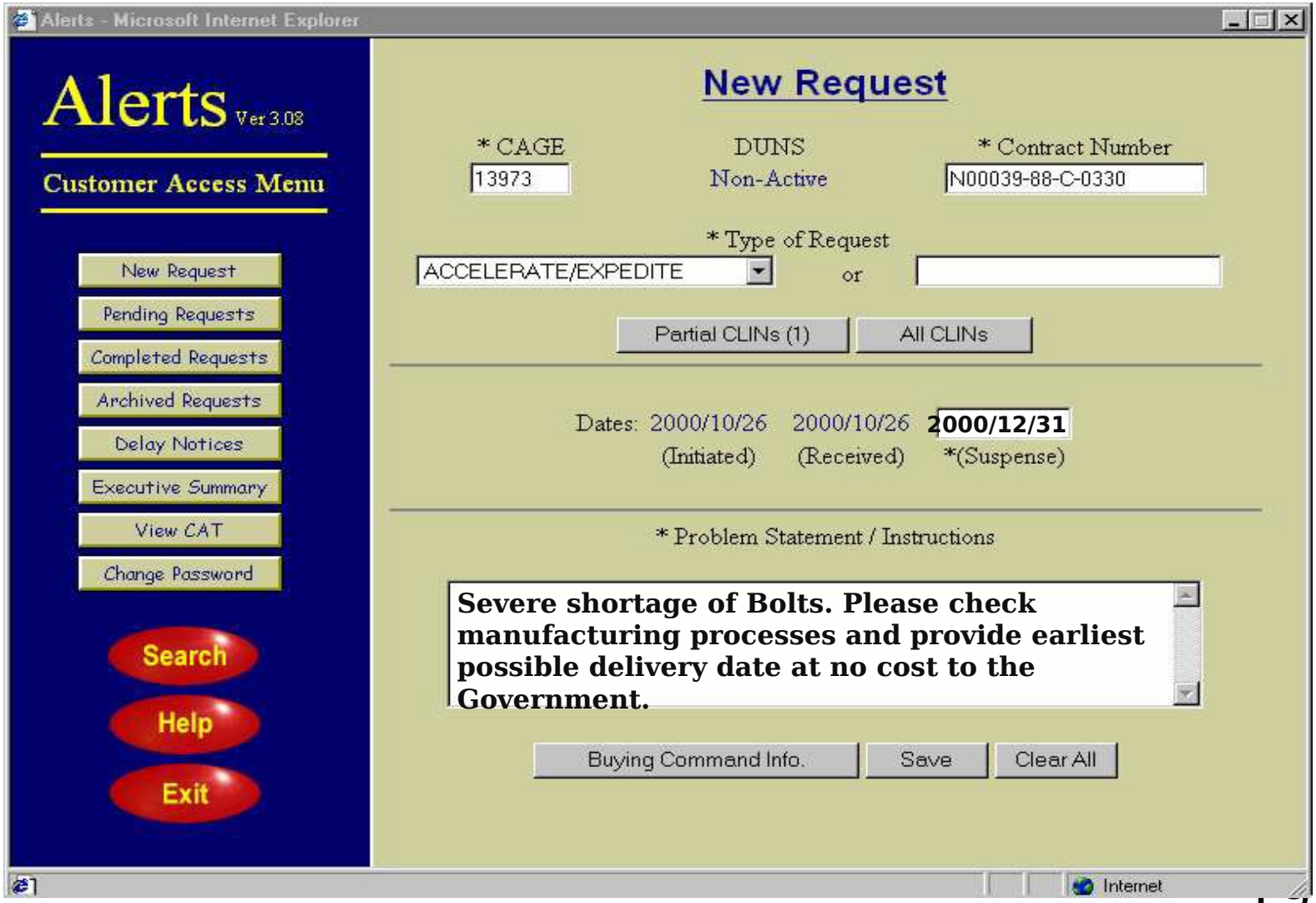
Schedule & Delivery Management



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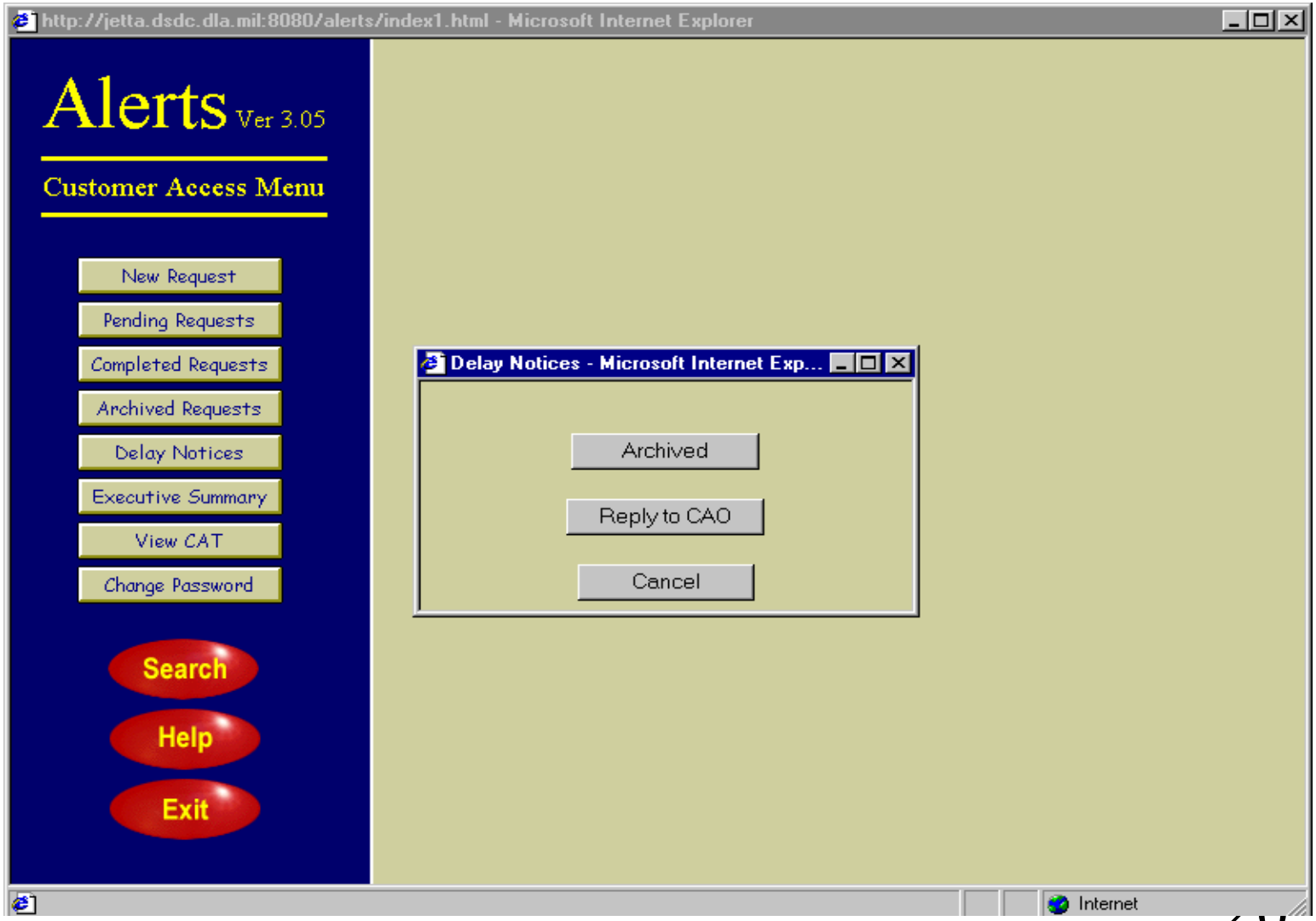
Schedule & Delivery Managemen



How do I find my CMO Team?

Defense Contract Management Agency - Microsoft Internet Explorer provided by DCMA
File Edit View Favorites Tools Help
Back Forward Stop Refresh Home Search Favorites History Mail Print Edit Discuss
Address http://home.dcma.mil/dcma-pi/customer.htm
Go Links
DCMA
DEFENSE CONTRACT MANAGEMENT AGENCY
We Enable the Warfighter to Win
Home Customers The Director Training Help Desk Search Directory Recent Updates Policy / Memos
Services We Provide
Find a Contract Admin Team
Alerts Customer Assistance
> Alerts Information
CAS Component
Customer Liaisons
Major Programs
Executive Team
One Book/ Policy
Customers
Thanks for your patience with the changes to our site. We hope you like the improvements. This customer page was added specifically for you, a single entry point into DCMA's critical information. We hope it meets your needs and becomes a favorite and important site. Our improvements continue and your feedback is important, so please contact our web master with your comments. Remember, DCMA's number one goal is to deliver great customer service. Let us know how we are doing!
SIS
Supplier Information Service
CAT LOCATOR
SUGGESTIONS?
Tell us what you would like to see on your customer page.
Click Here!
www.dcma.mil
Internet

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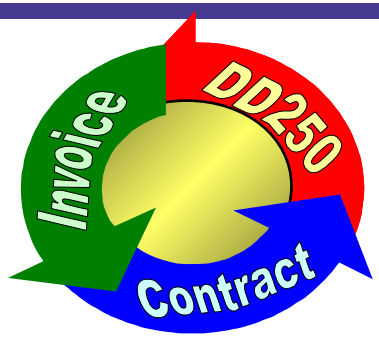
Jeopardy...minus Alex Trebek



Category - Product Acceptance

A paperless system for performing electronic acceptance and invoicing on DoD contracts, having a direct electronic feed to the payment system with Web/EDI/FTP input that is PKI enabled, providing complete transaction visibility.

What is the question???????

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WAWF

Paperless Contracting
Wide Area Workflow Functional View

Read Only Access - DCMA WAWF

- **Complete DLA 1811 – Submit to DCMA Liaison**
- **Access system and register for DCMA DoDAACs**

  As an Admn View Only
- **Access system with UserID and Password**

  Change temporary password

  Utilize the system to obtain DD250 and Invoice copies or information

Payment Functions

Post Award

DCMA *facilitates* payments, works closely with DCAA - - DFAS pays!

- **DCAA monitors and insures CAS compliance**
- **DCMA…**

  Approves Final "Public Vouchers"

  - **Cost-type contracts**
  - **Time & Materials & Labor Hour contra**

  Approves various financing payments

  - **Progress Payments**
  - **Performance-Based Payments**
  - **Commercial Item Financing**
  - **Advance payments**

  Resolves problems and issues

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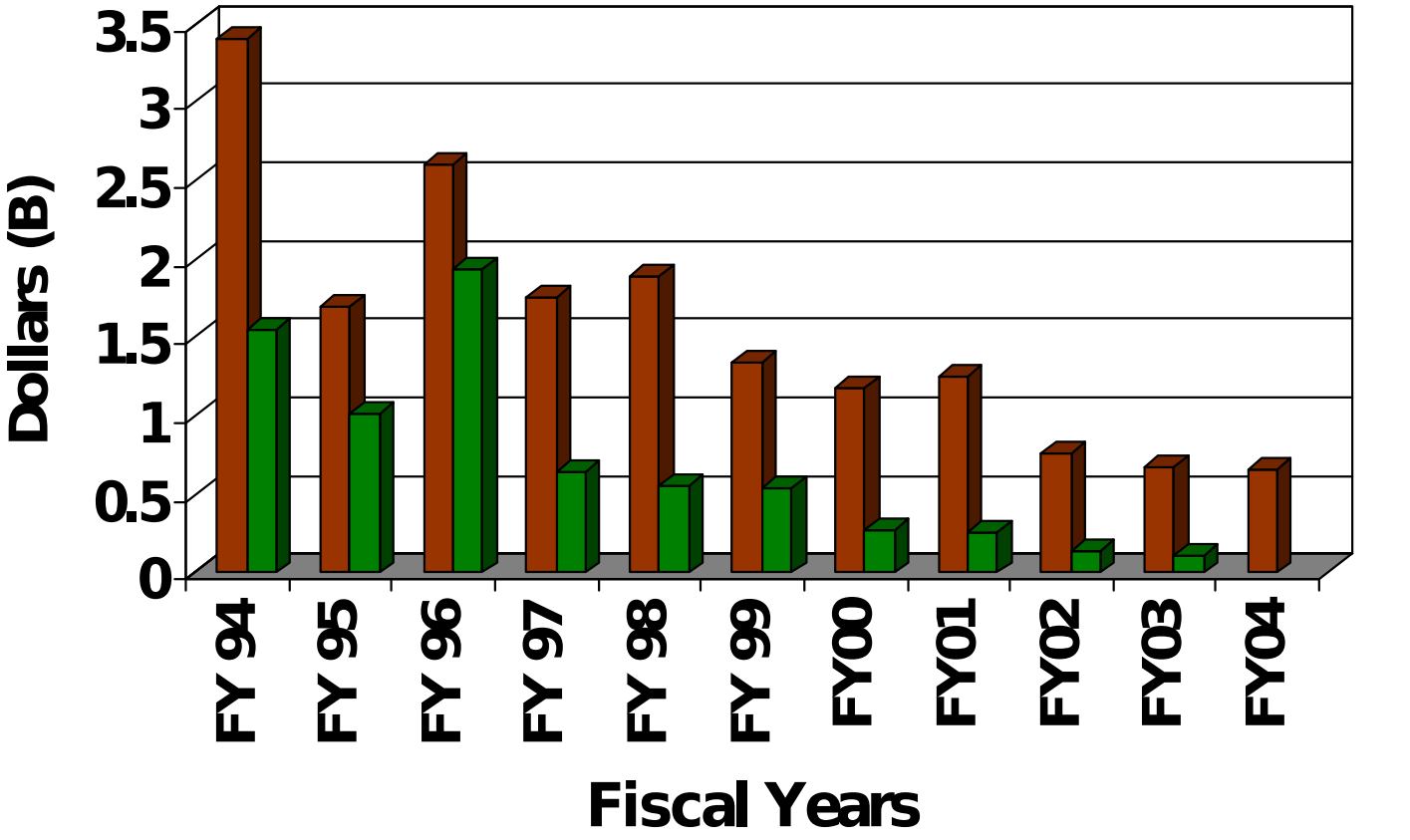
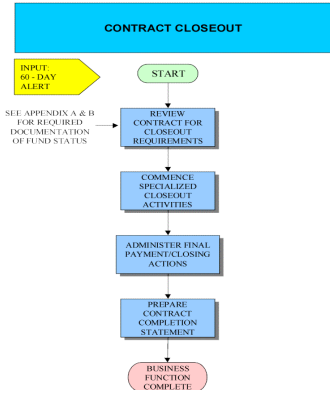
History of Canceling Funds



Final DCMA Closeout Actions

- **Approve Contractor's Final Voucher**
  - **Determine Total Amount Due Under Contract**
  - **Determine Amount Already Paid**
  - **Ensure Funds are Available (Contract Obligation Audit)**
  - **Identify Excess Funds**
- **Sign and Date Final Voucher**


CONTRACT CLOSEOUT
INPUT: 60 - DAY ALERT
START
SEE APPENDIX A & B FOR REQUIRED DOCUMENTATION OF FUND STATUS
REVIEW CONTRACT FOR CLOSEOUT REQUIREMENTS
COMMENCE SPECIALIZED CLOSEOUT ACTIVITIES
ADMINISTER FINAL PAYMENT/CLOSING ACTIONS
PREPARE CONTRACT COMPLETION STATEMENT
BUSINESS FUNCTION COMPLETE

- **Contract Closeout Checklist**

Providing that these tasks are complete…

- ***All contract deliverables complete***
- ***Property***
- ***Plant Clearance***
- ***Warranty***
- ***Patent and Royalty***
- ***Classified Material***

http://home.dcma.mil/onebook/9.0/9.9/ContractCloseoutGuidebook.do

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Contract Obligation Audit

Validate Obligations

- Contract File
- Reconcile By ACRN

RECORDS SHOULD MATCH . . .

CONTRACT MODIFICATION INDEX - INCREMENTALLY FUNDED CONTRACTS

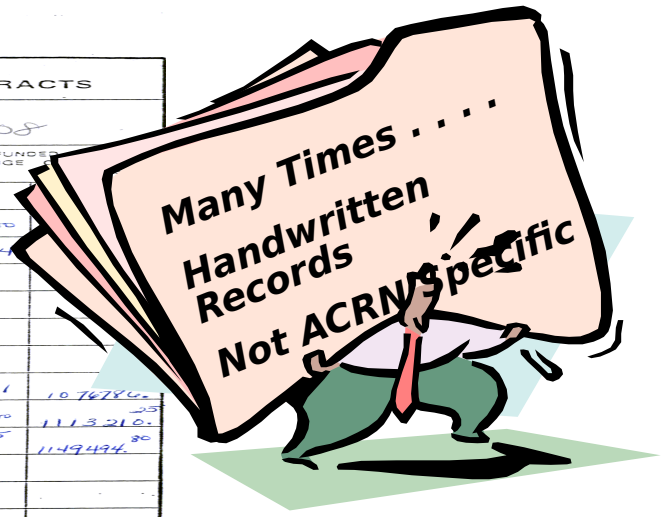
CONTRACTOR: Questech, Inc. (HOT tech) 91-D-0503/0008

CONTRACT NUMBER: DAABIO-91-D-0503 0008

DATE	MODIFICATION NUMBER PCO	ACO	TYPE, PURPOSE OF MODIFICATION (SA, CO, ADM)	OBLIGATED PRICE CHANGE	OBLIGATED CUMULATIVE VALUE	FUNDED PRICE CHANGE	FUNDED CUMULATIVE VALUE
6/27/91			basic K't.		1014639.44		
7/29/91	01		funding	—		130680.80	
8/9/91	02		funding	—		135070.44	
9/19/91	03		change DD 1423	—		—	
9/19/91	04		reallocate funds	—		—	
10/8/91	05		reallocate funds	—		—	
11-18-91	06		realign funds	—		—	
11-21-91	07		add'l software + subs	134335.36	1149494.80	631246.81	1076786.
12-4-91	08		funding	—		36424.80	1113210.25
1-24-92	09		funding	—		36284.55	1149494.80
2-14-92	10		reallocate funds	—		—	
3-4-92	11		realign labor	—		—	
6-1-92	12		additional tasking	need	of page	9	
5-21-92	13		change ACRN/mod 09	—		—	
6-11-92	14		extend pd of performance	—		—	
10-27-92	15		increase CLIN 0009	108979.20	1015562.57	—	
12-11-92	16		Increase Funds	108979.20			1515562.57
01-08-93	17		FOD ENT Increase Funds	150626.80			1666189.37
03-08-93	18		Increase Funds	215000.00			1881189.37
07-02-93	19		Increase Funds	983341.84			2864531.21

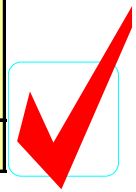
DCASR PHI-A MAY 88 986

PAGE 1 OF 2 PAGES



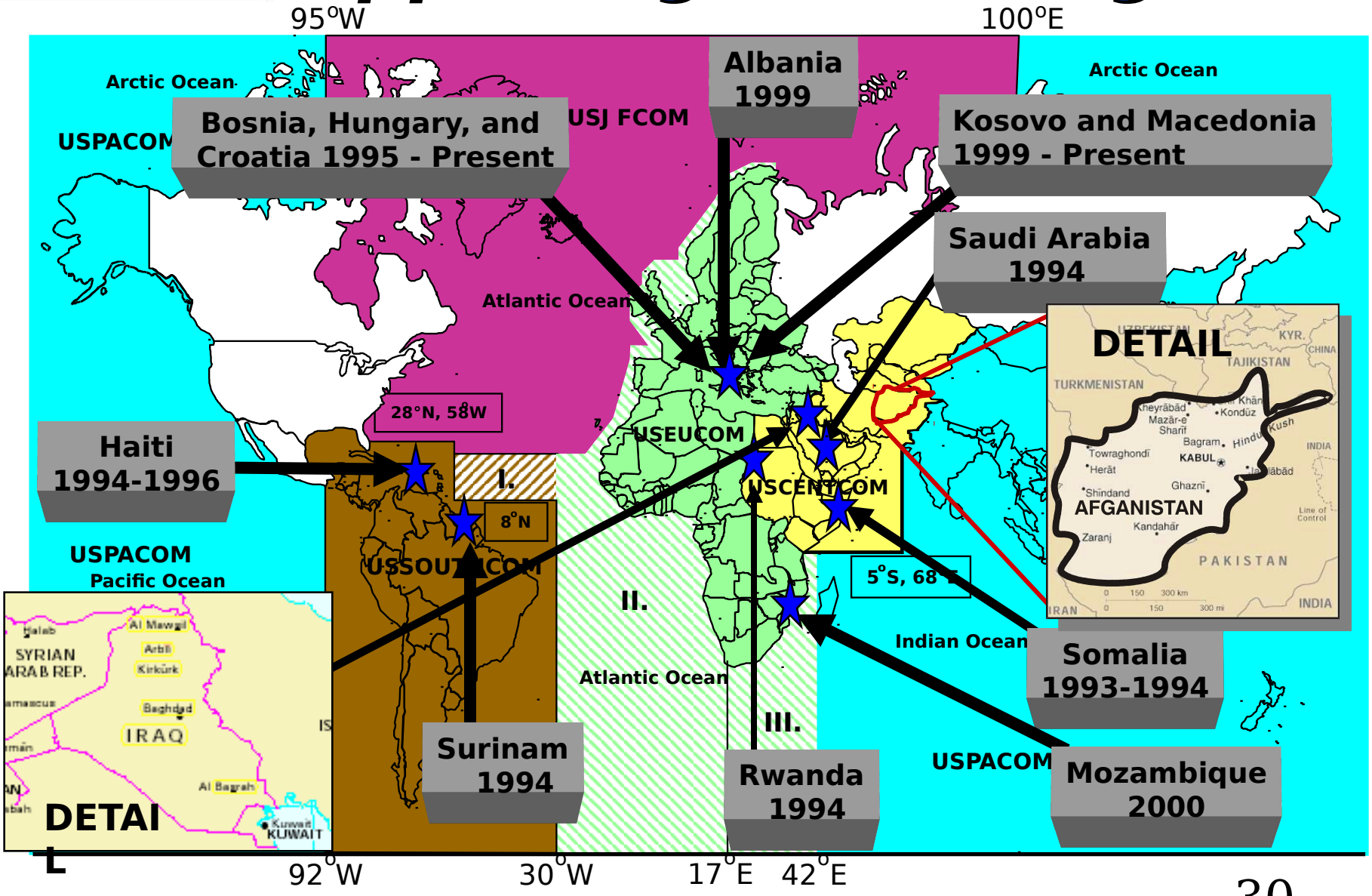
Contract vs MOCAS Obligations

Summary by ACRN		
	Contract	MOCAS
Sum of Amount		Status by
ACRN	Total	ACRN
AA	$ 445,589.00	$ 445,589.00
AB	$ 100,000.00	$ 100,000.00
AC	$ 209,000.00	$ 209,000.00
AD	$ 130,000.00	$ 130,000.00
AE	$ 130,070.44	$ 130,070.44
AF	$ 62,126.81	$ 62,126.81
AG	$ 36,424.00	$ 36,424.00
AH	$ 250,000.00	$ 250,000.00
AJ	$ 7,088.57	$ 7,088.57
AK	$ 36,284.55	$ 36,284.55
AL	$ 259,606.00	$ 259,606.00
AM	$ 137,274.24	$ 137,274.24
AN	$ 75,000.00	$ 75,000.00
AP	$ 798,249.73	$ 798,249.73
AQ	$ 130,282.37	$ 130,282.37
AR	$ 31,388.26	$ 31,388.26
Grand Total	$ 2,838,383.97	$ 2,838,383.97



Do Contract Obligations Balance with MOCAS Obligations?

Supporting the Warfighter



Since 1993, DCMA has deployed more that 500 personnel.

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Contingency Contract Management

DEPLOYABLE TEAMS – DCMA IRAQ

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Contingency Contract Management

DEPLOYABLE TEAMS

Typical Core Team

- 1 Commander
- 1 Deputy
- 2 Administrative Contracting Officers / Contract Officers
- 1 Cost & Price Analyst
- 3 Quality Assurance Representative (general)
- 3 Quality Assurance Representative (fuels)
- 2 Property administrators
- 2 Operations/Administrati on Support
- 15 TOTAL

246 Pre-Designated Deployable Billets

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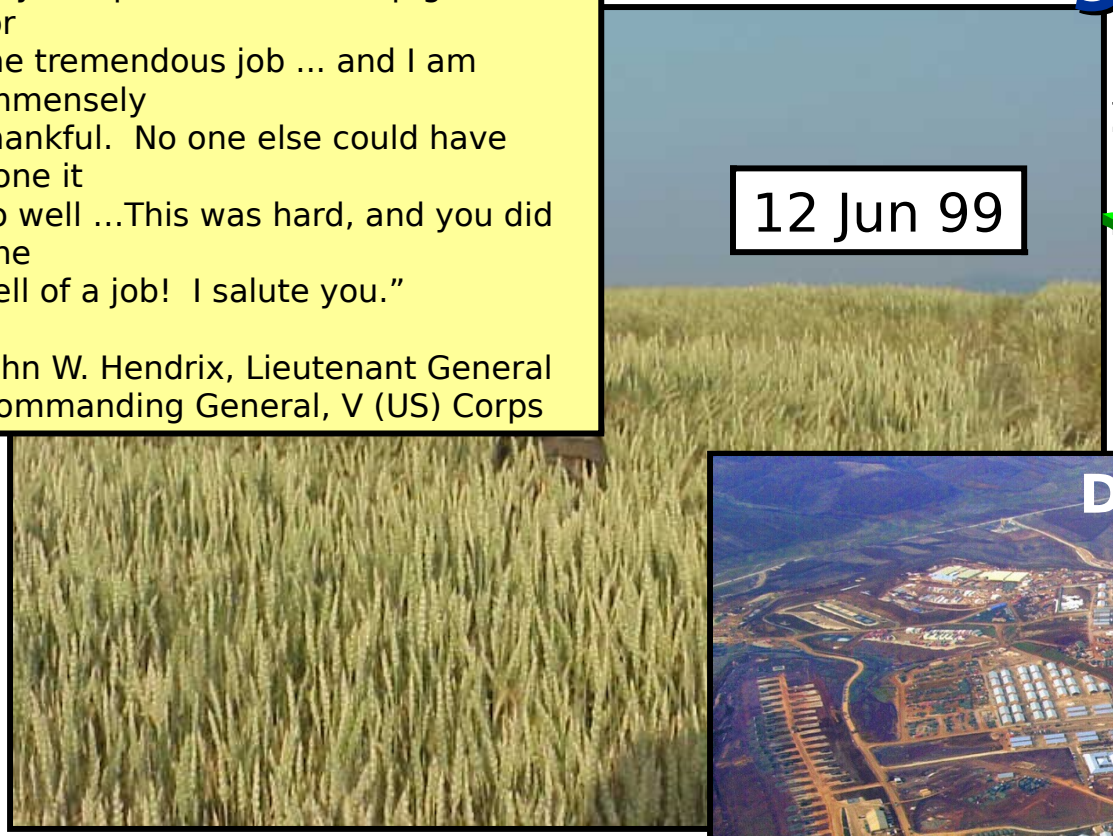
Contingency Contract Management

"My compliments and deep gratitude for
the tremendous job ... and I am immensely
thankful. No one else could have done it
so well ...This was hard, and you did one
hell of a job! I salute you."

John W. Hendrix, Lieutenant General
Commanding General, V (US) Corps



Warfighters increasingly reliant on <u>contractors on the battlefield</u> for support: construction, facilities, logistics, services.

Getting from scenario A to B requires solid contract management

DCMA Key to Kosovo Success
Camp Bondsteel, Kosovo
March 2000
Task Force Falcon Public Affairs Office
122nd Mobile Public Affairs Detachment

- **30,000 meals/day**
- **2,800 bags of laundry/day**
- **1.1M gals of water/day**
- **100,000 gals of fuel/day**
- **1,400 bags of mail**

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Summary

DCMA – customer focused supp

- **Insight (Corporate/Industrial Intelligence)**
- **Performance Management**
- **Supplier Excellence – Risk Management**
- **Earned Value Management – predictive analysis**

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Questions ?

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